



ANN HRAYCHUCK
STATE REPRESENTATIVE

**Testimony of Rep. Ann Hraychuck
Before the Assembly Health & Health Care Reform Committee
Regarding Assembly Bill 748
March 6, 2008**

Good morning, Chairwoman Vukmir and committee members. I appreciate the opportunity to speak to you today in support of Assembly Bill 748.

This legislation is aimed to increase access to healthcare for Medical Assistance (MA) patients by providing a state income tax credit for dentists and physicians that provide a high rate of service to MA patients. Under our bill, dentists and physicians will be able to claim a tax credit for the difference between what the state reimburses for MA patients and what it costs to provide the services.

Many independent or small partnership medical and dental practitioners are reluctant to accept MA patients or expand the number of MA patients that they presently see due to the lack of reasonable Medicaid reimbursement for their services. They simply cannot afford to absorb the loss. Because of this, many Wisconsin residents that rely on MA programs have extremely limited access to medical and dental services.

Currently there are 12 counties in Wisconsin that have 15 or fewer physicians that are seeing MA patients. Statewide, the ratio of MA patients to physicians is 41:1; in some of these counties the ratio exceeds 650:1. Access to dental care is even worse—50 counties in our state have 15 or fewer dentists that are seeing MA patients.

My district represents both Burnett and Polk Counties, and the lack of access to MA providers has been an issue for a long time. In Burnett County, there are NO dentists who see MA patients. While there are 14 dental providers in Polk County that serve MA patients, there are over 1,500 patients. I know of families in my district who drive their children two hours to Chippewa Falls for a basic dental cleaning. That is not access.

There are four physicians in Burnett County serving 2,600 MA patients, an average of 650 MA patients per physician. That is not access either.

Increases in the MA reimbursement rate have been inconsistent over the last 15 years and are a disincentive to providers already in the program, as well as attracting new providers. There has not been an increase in the reimbursement rate for dentists and physicians since 2002, and it only increased by one percent that year. The state budget that the Legislature passed in October did not include a reimbursement rate increase for the first year of the biennium, but did include a one percent increase for 2008-2009. While that one percent helps, it does not go far enough, and that is why this bill is before you today.

Thank you for your consideration. I would be happy to answer any questions that you may have.



ANTHONY J. STASKUNAS

STATE REPRESENTATIVE • 15TH ASSEMBLY DISTRICT

Committee on Health and Healthcare Reform

March 6, 2008 – Public Hearing

Assembly Bill 748

Written Testimony by Assembly Representative Tony Staskunas

Madam Chairwoman and members of the Health and Healthcare Reform Committee.

I would like to thank you for holding a public hearing on Assembly Bill 748 and I appreciate the opportunity to provide written testimony in favor of this legislation.

In many areas of our state we are experiencing a health care crisis – a crisis of access for thousands of Medicaid patients. In Buffalo County, there are more than 1700 MA patients being seen by only three physicians, an average of 580 MA patients per physician. The state average is only 41 MA patients per participating physician and there are other counties that are even worse.

Unfortunately, Buffalo is not alone. There are 12 counties in Wisconsin that have 15 or fewer physicians that accept MA. For dentists, the numbers are even worse as 50 of our 72 counties have 15 or fewer MA-participating dentists. With more than a half a million MA participants in the state, a number that is increasing as the economy continues to slip, it is vitally important that we do what we can to encourage medical and dental providers to participate in the MA program. I believe that Representative Hraychuck has a very workable plan to address this pressing issue.

To date, we, as a body, have found it hard to find the ability to increase the reimbursement we provide our medical and dental MA providers. Rep. Hraychuck's plan of providing tax incentives to physicians and dentists whose MA caseload is 200% above the average will not only encourage new providers to enter the program, but will be a great help to those providers who qualify for these tax incentives as it will alleviate some of their uncompensated losses.

Thank you for your consideration of this proposal.



Testimony in Support of AB 748

March 6, 2008

Good morning Representative Vukmir and members of the committee and thank you for scheduling AB 748 for a public hearing today. I'm Tom Petri, Director of Policy and Communications for the Wisconsin Primary Health Care Association. We represent and advocate on behalf of our state's 17 Community Health Centers. First, I'd like to offer a short refresher for those who are unfamiliar with Community Health Centers. Each are individual non-profit, small businesses that are federally mandated to be located in medically underserved communities. Each provide top quality, low cost primary and preventive health care services, largely, but not solely, to Wisconsin's underinsured and uninsured families. Most offer either dental and behavioral health services, or both.

Our Health Centers treat every patient who walks in the door, regardless of their insurance status or ability to pay. In 2007, over 60 Health Center delivery sites served over 175,000 total patients, almost 90% of which were considered low income. 60% had a family income at or below the poverty level. We are unique in that our providers have the ability to remove common financial, geographic, linguistic, and cultural barriers to receiving health care. Health Centers fill a major void in the state's health care delivery system, specifically in those communities where we have presence.

Although the recent implementation of BadgerCare Plus will allow many more people to receive Medicaid insurance coverage, thousands will still remain "medically disenfranchised" because they'll lack the needed access to receive that care. This is largely due to the local shortages of providers who will treat the U/U populations.

I'm here today to offer our endorsement of AB748, specifically the portion dealing with dental care. We believe that despite its weighty price tag, AB748 will increase state aid, through income tax credits, to private dental providers who are willing to regularly treat Medicaid patients. In this case, our mission is to assist those legislators, like Rep. Hraychuck, who show a genuine interest in identifying creative ways to both help the impoverished AND the dental providers who are willing to take significant strides to help them receive the dental care they need.



As you may know, last year's final budget increased state funding for the Health Centers in the state by \$3 million annually, beginning in July of 2008. I believe we achieved an increase, in part, because our Health Centers were able to touch a nerve that exists inside the legislature. What our advocates did was convey the message that we are committed to improve and expand upon our current work to provide dental care to U/U patients. Several legislators from both parties understand that an increase in our state funding would lead to an increase in our ability to provide quality oral health care to those who otherwise might not ever get in to see a dentist. We are fortunate in that Health Centers are seen as part of the solution to this growing epidemic. Unfortunately, others have not been fortunate. As you know, the budget did not provide an increase in Medicaid reimbursement rates or really any financial incentives or rewards for private dentists who take part in the Medicaid program.

That leads me back to AB748. I believe most if not all legislators would agree that Wisconsin needs to increase the number of dentists that will accept Medicaid patients. WPHCA believes AB748 would do two things: persuade more dentists to see Medicaid patients, and reward those who have been, including those precious dentists located in underserved areas where the needs are high. I also believe most if not all legislators agree that many of the Wisconsin residents that depend on Medicaid to help cover their dental bills have extremely limited access to health care services.

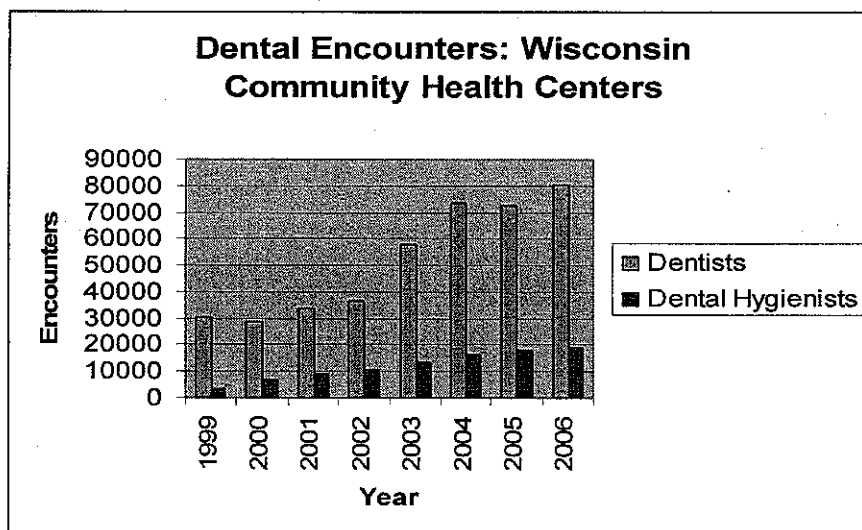
To their credit, over the past year and a half, Governor Doyle and Secretary Hayden have been prioritizing the issue. The BadgerCare Plus program directed over \$8 million into expanded dental access, and last summer, in an effort to seek outside ideas and suggestions on how best to combat the problem, DHFS sought creative proposals through an RFI process. WPHCA members identified numerous strategies to address the problem of how can the state get more dentists to engage in the fight. Our ideas included the offering of income tax credits, bonus Medicaid payments, rate increases, hospital-like DSH payments, contractual referral relationships between private dentists and their local Health Center, rotating Marquette dental students through our Health Centers and even a bold proposal to opening a second in-state dental school at the Marshfield Clinic. To date, the dollars have not been allocated, and it's tough to say where DHFS will ultimately invest the money included in the BadgerCare Plus budget.



I haven't mentioned, but it's important to note, that the passage of AB748 would not directly benefit the medical professionals that provide care inside the walls of a Community Health Center. However, the bill does directly relate to a key base advocacy position that our board of directors has prioritized for years, namely that we will endorse all legislative efforts that focus on providing incentives for individuals to practice primary care in Wisconsin's medically underserved areas and treat underserved children and families.

I'll end with this message: though success combating this problem requires a significant state investment, as well as wholesale collaboration between policy makers, private and public oral health care providers, regardless of the outcome of AB748 or any other future legislative effort, Wisconsin's Community Health Center dentists will remain on the frontlines.

We look forward to partnering with Rep. Hraychuck and others to ensure our less-fortunate families can always get the dental care they deserve. Thank you.



NOTE: In just the past eight years, Community Health Centers have expanded their dental FTEs to over 30, our total on-site dental teams, (hygienists and dental assistants), to over 100, and have had tens of thousands of encounters with Wisconsin's Medicaid patients.